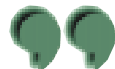




**We have a
complex, inefficient,
expensive-to-
operate system that
employs outdated
technology.**



—Roger Kallock

After explaining the situation, the PM said to Oliver, “We don’t know *why* they don’t like us.” Oliver said he recommended that the PM take the representative from PA&E out to dinner and open up the files and let him take notes. Ultimately, the program did not get cancelled, but Oliver said he found it hard to believe that the PM was on the verge of letting it get cancelled because he was not willing to use the best source of data available to him concerning likely cost (PA&E).

Other topics discussed included: prime vendor initiatives, performance based contracting, where to draw the red line, and Red Team data gathering. The prevailing theme the panelists relayed was that it is vital that DoD change the way it does business. Oliver closed the workshop by thanking the attendees for their participation and thanking the people who worked behind the scenes to make the workshop a success.

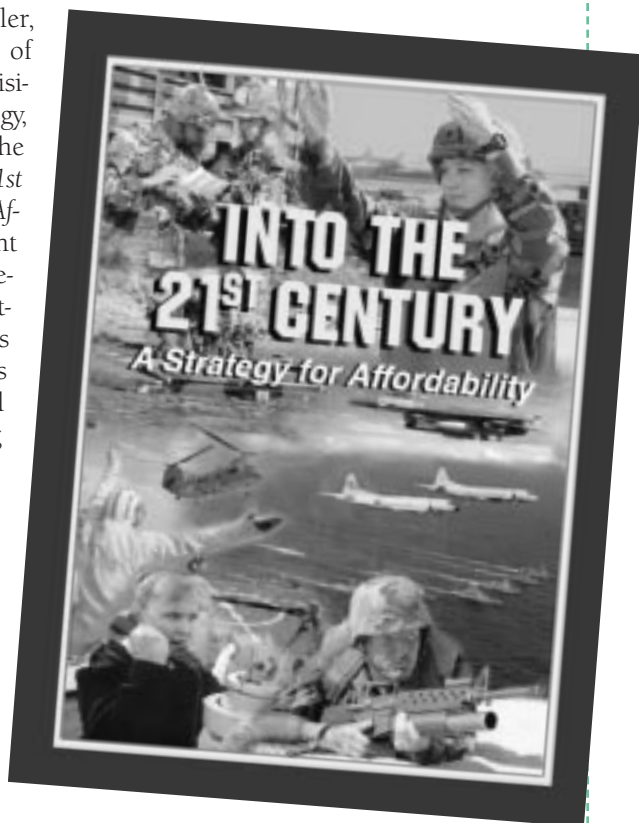
The next PEO/ SYSCOM Commanders’ Conference is slated for Oct. 19-20 at the Defense Systems Management College main campus, Fort Belvoir, Va.

Editor’s Note: Workshop presentations are available at <http://www.acq.osd.mil/dsac/confern.htm> on the DSAC Web site.

NEW STUDY NAMES DoD BUSINESS PRACTICE GOALS

Jacques Gansler, Under Secretary of Defense for Acquisition and Technology, has announced the publication of *Into the 21st Century: A Strategy for Affordability*. This document is the Department of Defense’s blueprint for adapting to the Department’s needs the best world-class business and technical practices in rationalizing infrastructure, restructuring support systems, and reducing cycle times and ownership costs while improving readiness.

Into the 21st Century: A Strategy for Affordability was produced by the Defense Systems Affordability Council (DSAC). The DSAC is the Department’s forum for setting and monitoring top-level goals, objectives, and metrics. In this study, the DSAC has enumerated three top-level goals that are strategically interrelated:



- Field high-quality defense products quickly and support them responsively — By reducing the cycle time of DoD processes for acquisition and support, this will produce cost reduction across-the-board, while improving readiness and responsiveness.
- Lower the total ownership cost of defense products — By reducing the investment cost of new systems, this will increase the purchasing power of modernization funding. It will reduce operating and support costs of fielded systems, and will make more resources available for modernization.
- Reduce overhead cost of the acquisition and logistics infrastructure — The efficiencies achieved can be reallocated for modernization or essential support.

For each goal, the strategy articulates the DSAC’s enterprise-level objectives and metrics, and the major initiatives that will contribute to achieving those objectives. The strategy also challenges the Department to achieve some targets by 2005 such as cutting logistics response time to five days and lowering logistics support costs by 20 percent.

Editor’s Note: This information, published April 9 by the Office of the Assistant Secretary of Defense for Public Affairs, is in the public domain at <http://www.defenselink.mil/news> on the Internet.